NORTHWEST TERRITORIES HOUSING CORPORATION

OVERVIEW

MISSION

The mission of the Northwest Territories Housing Corporation (NWTHC) is to ensure, where appropriate and necessary, that there is a sufficient supply of affordable, adequate and suitable housing stock to meet the housing needs of the Northwest Territories residents.

GOALS

1. Increased supply of suitable and affordable housing stock in communities to meet the housing needs of NWT residents;
2. Sufficient land is acquired and developed for the purpose of providing affordable housing in all communities;
3. Homeownership programs and services provide easy access for clients and secure and protect Housing Corporation assets;
4. Long term sustainability and energy efficiency of the housing stock, and
5. Greater personal responsibility for housing through community based training and support, and strengthened collections policies and procedures.

PROPOSED BUDGET

Compensation & Benefits	$10,334,000
Grants & Contributions	$54,664,000
Other O&M	$3,194,000
Principal & Interest Charges	$11,124,000
Amortization	$9,033,000
Infrastructure Investment	$16,655,000

PROPOSED POSITIONS

Headquarters (HQ)	55 positions
Regional/Other Communities	53 positions

KEY ACTIVITIES

- *Corporate Management and Services*
- *Finance and Infrastructure Services*
- *Debt Repayment*
- *Programs and District Operations*
- *Local Housing Organizations*

STRATEGIC ACTIONS

The Corporation will take the following actions in support of the government's strategic initiatives:

- *Improve Quality and Cost of Shelter (Reducing the Cost of Living Initiative)*
- *Improve Skills for Living and Working (Maximizing Opportunities Initiative)*
- *Strengthen Service Delivery (Refocusing Government Initiative)*

EMERGING ISSUES

Economic Environment

The issue of energy efficiency continues to be a key factor in the NWTHC's planning practices. Several years ago, the NWTHC committed to the practice of multi-unit configuration for its public housing construction. This was done in an effort to mitigate the decline of social housing funding from Canada, as well as to reduce the cost of utilities within public housing.

Energy efficiency will be a key component of the NWTHC's business over the coming years. Electricity and heating fuel must be used more efficiently in public housing in order to reduce greenhouse gas emissions and reduce utility costs.

The NWTHC supports the efficient use of utilities to reduce operating costs and impacts on the environment. Most of the NWTHC's efforts towards the reduction of utility consumption have been in support of reducing costs and the mitigation of environmental impacts to reduce greenhouse gas emissions.

In addition, new design technology in the areas of building envelopes and heating systems provide an important opportunity to the NWTHC to improve the energy consumption of homes, as well as making shelter more affordable through the reduction of energy costs.

The lack of skilled trades workers continues to be a concern for the NWTHC, as the lack of construction capacity in some communities has created a non-competitive market and has in turn causes some price escalation. The ability of regional offices and Local Housing Organizations to hire trained professionals in maintenance and technical positions is also somewhat limited in the current job market.

Fiscal Environment

The NWTHC is facing serious long-term challenges to the sustainability of social housing. In some communities, the public housing stock makes up a large portion of the community's households. Public rental housing in the NWT is not just for the poorest members of society – tenants of public housing include many families where the parents are employed in decent jobs but have no housing options open to them but public housing. If the sustainability of this housing stock is threatened, entire communities are threatened.

Though the federal funding for social housing will not lapse completely in the NWT until 2038, the NWTHC already operates with a shortfall between the funding we receive, the rent we collect, and the cost to operate our dwellings. The annual operating shortfall at the beginning of this planning cycle was $1,078,000. By the end of this planning cycle, the annual shortfall will have increased to $3,550,000.

Provinces and territories currently charge no more than 30% of income for public housing. It has been estimated that by 2038, without federal investment, provinces and territories will not be able to operate their current housing stock without charging substantially more than 30% of tenant income for rent in order to operate these units. This is obviously not a viable option. The provinces and territories would be forced to sell off many units or risk the stock falling into even greater disrepair.

While the Federal government has announced 5 year extensions of programs such as the Residential Rehabilitation Assistance Program (RRAP), the Homelessness Partnering Initiative, and the federal Affordable Housing program, short term investments made on a per capita basis will not be sufficient to meet our housing needs. Per capita funding in previous phases of RRAP and AHI were insufficient for the NWT to make and improvements in new construction or repair and renovation of existing homes.

The NWT requires a long-term commitment to fund social housing at current levels, new investments in affordable housing construction, and base funding rather than per capita funding under RRAP and AHI to ensure that it receives an adequate share of funds.

The NWTHC is actively involved in government-wide efforts to increase the efficiency of services currently delivered by boards and agencies through the Refocusing Government Strategic Initiative Committee. As a result of this review, the NWTHC is reviewing the role of Local Housing Organization boards in the delivery of housing programs and services. The current proposal involves the establishment of multi-purpose boards at the regional level that would provide health, education and housing services. The NWTHC continues to examine the experiences of other provinces and territories who have undergone similar changes.

Under the guidance and direction of the Ministerial Sub-Committee for Infrastructure, the Departments of Public Works and Services, Transportation and the NWT Housing Corporation are working collaboratively to support Cabinet's direction by undertaking an examination of options, including the organizational design of an infrastructure department, to improve the management of GNWT infrastructure, particularly at the regional and community level. Options and recommendations will be provided to Cabinet in early 2009. It is expected that the 2009/10 fiscal year, after consultation with Standing Committee, would be spent developing and implementing those improvements approved by Cabinet to improve the management of GNWT infrastructure.

FISCAL POSITION AND BUDGET

Departmental Summary

(000's)

	Proposed Main Estimates 2009-2010	Main Estimates 2008-2009	Revised Estimates 2007-2008	Main Estimates 2007-2008
OPERATIONS EXPENSE				
Executive	1,114	1,121	1,315	1,315
Programs & District Operations	24,405	19,884	20,348	19,637
Finance & Infrastructure Services	12,547	11,816	11,960	11,909
Debt Repayment	11,124	12,053	12,197	12,197
Local Housing Organizations	39,159	37,945	38,719	36,895
TOTAL OPERATIONS EXPENSE	**88,349**	**82,819**	**85,135**	**81,953**
Capital Infrastructure	16,655	37,098	37,317	37,317
TOTAL OPERATIONS & & CAPITAL EXPENSES	**105,004**	**119,917**	**121,856**	**119,270**
TOTAL REVENUES	**68,184**	**67,405**	**68,061**	**68,060**

Total Corporation Expense Summary

			Proposed Adjustments (000's)				
	Main Estimates 2008-2009	Sunsets and Other Approved Adjustments	Reductions (1)	Forced Growth	Strategic Initiatives	Internal Reallocation and Own Resources(2)	Proposed Budget 2009-2010
Executive							
Executive Office	548	-	(6)	-	-	-	542
Strategic Planning, Policy & Communications	573	-	(1)	-	-	-	572
Total Activity	**1,121**	**-**	**(7)**	**-**	**-**	**-**	**1,114**
Programs & District Operations							
Vice-President Office	246	-	-	-	-	-	246
Program Development & Implementation	566	-	(3)	-	-	-	563
North Slave District	3,874	(194)	(157)	35	337	240	4,135
South Slave District	5,208	(196)	(144)	44	510	1,657	7,079
Nahendeh District	1,919	(202)	(96)	84	342	411	2,458
Beaufort Delta District	5,223	(206)	(223)	130	409	254	5,587
Sahtu District	2,848	(209)	(89)	38	886	863	4,337
Total Activity	**19,884**	**(1,007)**	**(712)**	**331**	**2,484**	**3,425**	**24,405**
Finance & Infrastructure Services							
Vice-President Office	262	-	-	-	-	-	262
Finance & Administration	7,677	(130)	(16)	173	-	-	7,704
Infrastructure Services	3,877	(633)	(273)	-	1,610	-	4,581
Total Activity	**11,816**	**(763)**	**(289)**	**173**	**1,610**	**-**	**12,547**
Debt Repayment							
Total Activity	**12,053**	**-**	**-**	**-**	**-**	**(929)**	**11,124**
Local Housing Organizations							
North Slave	8,350	-	-	-	18	247	8,615
South Slave	6,883	-	-	-	18	207	7,108
Nahendeh	1,855	-	-	-	16	56	1,927
Beaufort Delta	16,094	-	-	-	18	466	16,578
Sahtu	4,763	-	-	-	18	150	4,931
Total Activity	**37,945**	**-**	**-**	**-**	**88**	**1,126**	**39,159**
Total Expense	**82,819**	**1,770**	**1,008**	**504**	**4,182**	**3,622**	**88,349**
Total Capital Infrastructure	**37,098**	**(17,100)**	**-**	**-**	**-**	**(3,343)**	**16,655**
TOTAL CORPORATION	**119,917**	**(18,870)**	**(1,008)**	**504**	**4,182**	**279**	**105,004**

Notes

1. Total expenditure reduction amount does not include the additional $500 in other revenues (mortgage collections) that results in a net reduction of $1,508 in GNWT contributions
2. Net increases in the Corporation's own source revenues result in an additional $279 revenue available for the 2009-10 budget.

Revenue Summary

(000's)

	Proposed Main Estimates 2009-2010	Main Estimates 2008-2009	Revised Estimates 2007-2008	Main Estimates 2007-2008
CANADA MORTGAGE & HOUSING CORPORATION				
CMHC Recoveries Capital	2,310	2,378	2,438	2,438
CMHC Recoveries Unilateral Programs	3,918	3,918	3,918	3,918
CMHC Recoveries Debt Repayments	9,619	10,548	10,864	10,864
TOTAL CMHC	**15,847**	**16,844**	**17,220**	**17,220**
OTHER RECOVERIES				
Sale of Housing Packages and Other Re	1,861	1,861	3,065	3,065
E C & E Subsidy	32,540	32,315	32,634	32,184
Public Housing Tenant Revenue	5,000	4,099	4,711	4,711
Other Revenue	1,872	1,372	1,794	1,794
Lease Revenue	2,031	2,031	1,312	1,312
Non-cash Item Amortization	9,033	8,883	7,325	7,774
TOTAL OTHER RECOVERIES	**52,337**	**50,561**	**50,841**	**50,840**
GNWT Contribution	**36,820**	**52,512**	**53,795**	**51,210**
TOTAL REVENUES	**105,004**	**119,917**	**121,856**	**119,270**

CORPORATE MANAGEMENT AND SERVICES

Description

Corporate management and services are provided primarily through the NWTHC's Executive Office. The Executive provides overall management direction to the NWTHC and collaborates with various community and government partners in addressing the housing needs across the Northwest Territories. The Executive provides an essential coordinating function in strategic planning, policy development and in the development of operational guidelines on the business of the NWTHC. The Executive is also responsible for providing support to the Minister Responsible for the NWTHC and to ensure we meet the requirements of the Legislative Assembly.

The Executive also contains the Strategic Planning, Policy and Communications section of the NWTHC. This section provides long-term strategic direction and planning for the NWTHC and is responsible for representing the Corporation at the Federal/Provincial/Territorial level, on interdepartmental working groups and other committees. The section is responsible for strategic and business planning, policy development, qualitative and quantitative research, and corporate communications.

The Strategic Planning, Policy and Communications section, under the direction of the President and CEO, is responsible for coordinating and monitoring the NWTHC's responses to the Auditor General of Canada's Performance Audit. The NWTHC's responses and actions resulting from this audit are contained primarily in the Framework for Action 2008-2011. Other changes in operational policies and procedures have been achieved through directives issued to districts and LHOs by NWTHC Senior Management and are outlined in the Corporation's response to the review of the Performance Audit by the Standing Committee on Government Operations.

Major Program and Service Initiatives 2009/10

Develop a communication strategy for the NWTHC

The NWTHC's communication strategy will be developed in an effort to improve knowledge among all residents of the programs and services the NWTHC offers, as well as important information on home maintenance and operations that will benefit residents at all levels along the housing continuum. It will also serve to improve internal communications to ensure that the services provided are consistent in all regions and are conducted in a manner that reflects the Corporation's mandate and goals.

The communications strategy will focus on key areas including services to seniors and persons with disabilities, mould remediation, fuel tank replacement, the Housing Choices programs, and maintenance tip highlights from the Solutions to Education People education modules. This information will be disseminated using several media, and the NWTHC will make an effort to ensure access in the NWT's official languages.

Increase and enhance efforts to lobby for increased Federal funding

The Northwest Territories Housing Corporation (NWTHC) is an active member of the Federal/Provincial/Territorial Housing Forum. The NWTHC represents the GNWT at the main housing table and is a member of the P/T working group on Aboriginal housing, the P/T housing group on long term funding, and the F/P/T working group on the existing social housing stock, on which Canada Mortgage and Housing Corporation is also a member.

The primary focus of F/P/T discussions nationally is on the state of the public housing stock. Provinces and territories have been pushing Canada to reinstate the O & M funding that is declining under Social Housing Agreements signed by most provinces and territories. Canada has also been asked to reinvest so-called "legacy savings" (surplus funds available to CMHC as the mortgages for public housing dwellings are paid) into new affordable housing.

In the past, strong efforts by the NWTHC, whether bi-lateral, tri-territorial, or with all P/Ts, has resulted in new investments in affordable housing, including the $300 million Northern Housing Trust of which the Northwest Territories (NWT's) share was $50 million. The NWTHC is leading the country in terms of the delivery of these trust funds, and is expected to complete all construction by the end of 2009/10. This includes its own contributions made under the $100 million Affordable Housing Initiative.

The NWT requires a long-term commitment to fund social housing at current levels, new investments in affordable housing construction, and base funding rather than per capita funding under RRAP and AHI to ensure that it receives an adequate share of funds. In an effort to convince the Federal government of these requirements, the NWTHC will develop a paper and information kit to provide to the Minister Responsible for CMHC, as well as Members of Parliament, to make the case for renewed investment in housing in the North. This will be an important accompaniment to a similar paper created for the three territories in 2006.

Four Year Business Plan Update

Results to Date

While the Federal government has announced 5 year extensions of programs such as the Residential Rehabilitation Assistance Program, the Homeless Partnering Initiative, and the federal Affordable Housing program, short term investments made on a per capita basis will not be sufficient to meet our housing needs. Per capita funding in previous phases of RRAP and AHI were insufficient for the NWT to make and improvements in new construction or repair and renovation of existing homes.

KEY ACTIVITY 1: FINANCE & INFRASTRUCTURE SERVICES

Description

Finance and Infrastructure Services coordinates financial services, capital planning, land development and infrastructure to support the delivery of the Corporation's Infrastructure Acquisition Plan.

The Finance & Administration Division is responsible for the overall financial affairs of the NWTHC and its Boards and Agencies. This includes financial planning, the provision of accounting services, reporting and monitoring, treasury services, mortgage and debt administration, and providing financial advice to senior management and stakeholders. This Division is also responsible for the Corporation's Information Systems and Information Management and is responsible for the management of the Corporation's assets.

The Infrastructure Services Division is responsible for the overall development, design and procurement, planning and delivery of capital infrastructure projects in support of the Corporation's rental and homeownership programs. This Division is also responsible for forecasting and acquiring land requirements, land tenure, land development and land administration related to new construction and lands occupied by Corporation assets and mortgage interests. Infrastructure Services is also responsible for the maintenance management of the Corporation's public housing portfolio in order to ensure its long term sustainability. Finally, Infrastructure Services is the Corporation's lead on issues related to energy efficiency and new housing technologies.

Major Program and Service Initiatives 2009/10

Strategic Reductions

Under the Finance and Infrastructure Services Activity, the NWTHC has identified the following reductions for the 2009-10 fiscal year:

- Minor Modernization & Improvement – $296,000. Reduction of the funding available for the minor repairs to the NWTHC's public housing stock
- Fire Damage Replacement - $250,000. Elimination of Fire Damage Replacement funding
- Mortgage Payment Plan - $500,000. Anticipated revenue through increased mortgage collections.
- Overhead(headquarters and regions) - $80,000. Travel budgets across the Corporation to be reduced by 7%; computer support services reduced by 15%.

Mortgage Payment Plan

The NWTHC's Mortgage Payment Plan provides opportunities for homeownership clients with mortgage arrears to become successful homeowners. The payment plan offers many of the same benefits realized under the *Housing Choices* programs, and will improve the NWTHC's collection rates on the mortgage portfolio. The NWTHC identified $500,000 in anticipated revenue from the Mortgage Payment Plan as part of targeted reductions. All clients will be offered counseling on their mortgage through this plan over the next two years. Following this step, all clients will have defined a payment plan that works for both the client and the NWTHC.

Introduce new designs & specifications that will achieve a minimum standard of Energuide 80

Natural Resources Canada established the EnerGuide for Houses system as a means for measuring energy efficiency. The EnerGuide rating system is a standard measure of a home's energy performance that provides a score from EGH 0 to EGH 100, with a higher rating representing great energy efficiency.

An average 20 year home in Canada will typically score 66 on the EnerGuide scale. NWTHC houses typically score higher than the national average. Energy profiling with HOT2000 software indicate that NWTHC current house designs rate at approximately EGH 77 and houses constructed in 1985 rate at EGH 72.

The NWTHC has coordinated with Arctic Energy Alliance in conducting ecoEnergy evaluations on selected public housing units to establish EGH ratings in the 2008/09 year. The NWTHC has $70,000 in EcoTrust funding to evaluate 70 – 100 public housing units. These evaluations are scheduled to be completed by April 2009. This will help determine the greatest emission/cost reduction for future energy retrofit upgrades.

The NWTHC will review proposed design plans to ensure that the building envelopes and heating & ventilating appliances in future construction projects can achieve the minimum EGH 80 rate. The review and updates are targeted for completion by mid 2009 in time for implementation for the 2010 construction season.

Develop & implement Deficit Management Plans in conjunction with Local Housing Organizations

The NWTHC has always been activiely involved in assisting Local Housing Organizations to operate in an effective and efficient manner. NWTHC Staff counsel LHO employees on financial practices and policies, and provide regular training opportunities. Despite the Corporation's best efforts, some Local Housing Organizations (LHOs) have accumulated deficits that would jeopardize their viability over the long term.

LHOs are block funded for expenditures that are under their control (administration, maintenance & rent collections) and deficit funded for non-controllable expenditures (utilities, taxes, leasing & rent assessments). This funding approach is a key contributing factor to deficits at the LHO are due to overspending in administration, maintenance or the inability to collect on 90% of the rent assessments, all areas that are under management control.

In 2008, the NWTHC funded all LHO deficits that had been accumulated to that date. Since then, several LHOs have accumulated additional deficits based primarily on failure to collect rent and some overruns in maintenance and administration budgets. The NWTHC plans to settle these deficits through the development of deficit management plans in conjunction with LHOs.

Develop Mould remediation and Fuel Tank replacement strategies

The NWTHC's Framework for Action 2008-2011 commits the Corporation to develop strategies for mould remediation and for the replacement of fuel tanks.

Activities in the area of mould remediation will include further training for NWTHC and LHO staff in the identification and remediation of mould. The NWTHC will also continue to tackle mould within its own units, and encourage qualifying homeowners to apply for CARE funding that can be used to fund mould removal and associated renovations. The NWTHC will also introduce a public

awareness campaign that will inform residents on common causes of household mould, the dangers that this mould can create, and steps that can be taken to help remediate it.

The fuel tank replacement strategy will be conducted in two elements. The first element will entail the development of a standard based on specific criteria to determine when replacement of tanks is required. The NWTHC will then complete a review of the tanks currently attached to public housing units and target tanks which meet the criteria for replacement. The second element will be a communications campaign in conjunction with the Department of Environment and Natural Resources to highlight the need for homeowners to replace older or damaged tanks.

Four Year Business Plan Update

Results to Date

The NWTHC has increased collection on their mortgage portfolio from 36% to 46% resulting in additional Mortgage Revenue of $377,000. This is a result of a concerted effort to counsel clients on payment options and to implement repayment plans. The NWTHC is expecting to reach their goal of $500,000 increase in collections by March 31, 2009.

Measures Reporting

Corporate Investment Strategy

Information on the investment activity of the Corporation is required in the Corporate Business Plan to comply with Subsection 91(2) of the *Financial Administration Act*.

The Corporation is restricted to those types of investments specified in Subsection 81(1) of the *Financial Administration Act*, which states:

"A public agency may invest money belonging to the public agency:

a. In certificates of deposit, deposit receipts, notes or other evidences of indebtedness given by a bank in consideration of deposits made with the bank; and

b. In securities where repayment principal and interest is unconditionally guaranteed by a bank;

Investments are determined through cash management procedures ensuring surplus funds are invested in those forms of security which pay the highest level of interest while maintaining an adequate level of cash on hand to meet daily requirements.

Surplus funds for 2007-08 were invested in short and long-term investments. Investments of less than 1 year had an average term to maturity of 57 days and a market yield of 1.75% to 4.63%. Longer term investments had terms ranging from 1 to 7 years and a market yield of 3.26% to 4.5%.

Other Measures

The NWTHC has nearly completed the three year scheduled delivery of AHI Allocation. 2009-10 will see the completion of remaining committed units not built during 2006-09. In total, the NWTHC will construct 513 new homeownership and public housing replacement.

The NWTHC's Lands Working Group has made important progress in the creation of a database of existing and required land for the development of new affordable housing. The database is expected to be fully operational during 2009-10.

The NWTHC continues to pursue the replace, repair or disposal of all public housing units identified as decommissioned or in poor condition.

The NWTHC continues to research new ongoing energy management technologies to reduce operating costs and the effects on the environment. The NWTHC also incorporates energy efficiency features into public housing and home-ownership designs.

The NWTHC has developed an onsite and web based evaluation form to record the existing energy consumption components and building envelope analysis to provide potential energy upgrades and associated costs for information obtained from the survey.

652 surveys have been completed and have been entered into the web based site.

2008 supplementary funding of $60,000 was approved to install solar hot water preheat systems for senior facilities in Ft. Smith and Ft. Resolution. These projects will be completed by March 31, 2009

KEY ACTIVITY 2: DEBT REPAYMENT

Description

The Northwest Territories Housing Corporation has $66.9 million in long-term debt with the Canada Mortgage and Housing Corporation (CMHC) for the provision of public rental housing. The annual principal and interest payment on this debt is $12.05 million. In accordance with the Social Housing Agreement, CMHC also contributes $10.5 million annually in servicing this debt.

Major Program and Service Initiatives 2009/10

There are no program and service initiatives associated with this activity.

KEY ACTIVITY 3: PROGRAMS & DISTRICT OPERATIONS

Description

This Division provides corporate support to the Corporation's five District Offices in the delivery of programs and services to the residents of the NWT. This includes the development, implementation, training, monitoring, evaluation and delivery of programs and initiatives that optimize the Housing Corporation's responsiveness to NWT housing needs, and to ensure a continuity of approach to program delivery and implementation.

The creation of this Division in 2008 was designed to place renewed emphasis on monitoring and providing support to District and Local Housing Organizations. The current focus of this section is to ensure compliance with existing policies and procedures, as well as developing and updating operational policies and procedures in light of the recommendations of the Auditor General of Canada, while ensuring that District Offices and LHOs have the support and capacity required to effectively deliver the Housing Corporation's capital and program deliveries.

Major Program and Service Initiatives 2009/10

Communicate better with clients and communities

In addition to efforts being made to improve Corporate communications generally, specific focus will be placed on how the Corporation communicates with clients. This effort will include a greater presence by Regional employees in the communities they serve through more frequent information sessions and public meetings, and a coordinated approach to the provision of public information in all communities. The NWTHC will also work to develop tools that can be used at the regional level to make clients and members of the public aware of both NWTHC programs and services as well as tips for home maintenance.

Introduce a new appeals mechanism for applicants and clients of public housing and homeownership programs to ensure fairness, equity and compliance with policy and procedures.

The NWT Housing Corporation is in discussions with ECE to set up a partnership to utilize ECE's Social Assistance Appeal Board. A communications plan and a consultation paper is being developed and will target LHOs, community leaders, NGOs and other stakeholders. ECE and NWTHC will jointly complete a public consultation on the appeals mechanism. The advertising of the new appeals mechanisms will be completed by January 31, 2008.

Policies and procedures are being drafted and are scheduled to be finalized by February 28, 2008. A new formal housing appeals mechanism is scheduled to be implemented on April 1, 2009.

The proposed appeal mechanism would consist of a two-level structure:

Level One: The first level would consist of a 5-member interdepartmental Housing Appeal Committee.

Level Two: For the second level the NWTHC would partner with ECE to use its publicly appointed Social Assistance Appeal Board.

Public housing and homeownership applicants could appeal the following decisions:

- Declined public housing applications due to applicants' ineligibility
- The overall point rating allocation for applicants on the waiting list
- Unit size allocation (number of bedrooms)
- Declined homeownership applications due to ineligibility
- Homeownership assistance levels

Complete an evaluation of homeownership programs, and introduce a process to monitor allocation of public housing and homeownership programs

The NWTHC introduced Housing Choices in 2007. Following the second year of delivery, the NWTHC in cooperation with the Program Review Office, will conduct a review of the Housing Choices programs to ensure that they are meeting their mandate in an effective and efficient manner. This evaluation will also consider how allocations are made by reviewing the Priority Allocation Selection System and making recommendations for how to monitor the allocations made by District Offices.

Four Year Business Plan Update

Results to Date

As a result of recommendations made during the Auditor General's review of the NWTHC, The NWTHC has made changes to the NWTHC's corporate organizational structure in order to improve the NWTHC capacity to monitor and guide the LHOs. District Offices have been directed to:

- Enhance their monitoring of tenant applications and allocations to ensure NWTHC policies are followed.
- Enhance their monitoring of LHO maintenance activities including condition ratings.
- Implement by October 31, 2008, strict procedures governing technical inspection of public housing units.
- Assist LHOs in improving their rent collection rates.
- Ensure LHOs are applying NWTHC polices on tenant relations.
- Assist LHOs with resolving accumulated deficits, including implementation of the NWTHC's Deficit Funding Agreement.
- Assist LHOs with budget management

Measures Reporting

The NWTHC will be introducing a new appeals mechanism on April 1, 2009 for applicants and clients of public housing and homeownership programs to ensure fairness, equity and compliance with policy and procedures.

A review of the *Housing* Choices programs, Providing Assistance for Territorial Homeownership (PATH), Contributing Assistance for Repairs and Enhancements (CARE) and the Homeownership Entry Level Program (HELP), was carried out during a program review meeting with all district program staff in December 2007. A review of STEP was also completed and the report is to be provided by the end of 2008.

LHO Managers and Board Chairpersons met last spring with the Minister on one occasion, and continue to be consulted on several areas.

LHO Rent collections for the year ending March 31, 2008 have risen to 87% from the low of 78% in 2006.

Programs staff worked closely with the Departments of Justice and ECE, on initiatives designed to reduce criminal and illegal activity in public housing dwellings. New public housing lease documents are under development that will ensure fairness, equity and the protection of tenant rights.

KEY ACTIVITY 4: LOCAL HOUSING ORGANIZATIONS

Description

The Northwest Territories Housing Corporation, in partnership with 23 Local Housing Organizations (LHOs), administers approximately 2,400 social housing units in 26 communities across the NWT. These LHOs provide, under agreement with the Corporation, property management services including the allocation of units, the collection of rents, and the provision of preventative and demand maintenance services. LHOs are funded from tenant rental payments and rental subsidies provided from the Department of Education, Culture and Employment.

Major Program and Service Initiatives 2009/10

Develop & implement Deficit Management Plans in conjunction with Local Housing Organizations (see Programs and District Operations)

Four Year Business Plan Update

Changes to Four Year Plan

There are no changes to report.

Measures Reporting

Reporting measures for this activity are captured under the Programs and District Operations Activity.

STRATEGIC INITIATIVE: REDUCE THE COST OF LIVING
Action: Improve the Quality & Cost of Shelter

Description

Despite the current strength of the economy, the Northwest Territories continues to face housing challenges greater than those faced in most of Canada. The challenge of improving these conditions is compounded by the lack of long-term Federal funding for new social housing, the continuing decline in funding to operate and maintain existing social housing, and a labour shortage that has seriously impacted the availability of workers to complete housing construction and repair projects.

The NWTHC has developed "Framework for Action 2008-2011", which identifies the strategic actions required over the next three years to deliver on its mandate and to address the housing expectations of the GNWT and all residents.

Implement housing strategies aimed at addressing quality issues
The Northwest Territories Housing Corporation will address quality issues with housing through a combination of new construction (through the completion of the Affordable Housing Initiative and a new construction strategy to be developed) and through greatly enhanced maintenance and repair activity.

Core Need – Funding to offset the loss of federal funding resulting from the sunset of the Northern Housing Trust.

Homeownership Repair - Investments to complete major repairs on up to 150 homes through the Contributing Assistance for Repairs and Enhancements program.

Infrastructure Deficit – Investments to enable major repairs on up to 125 private homes through programs for lower income homeowners across the NWT.

Calculation of Economic Rent – Update the methods used to calculate maximum rents by type of unit by community.

Activity to Date

The NWTHC's annual capital delivery provides nearly $40 million in new construction and repairs in communities across the NWT. Over the past three years, the NWTHC has embarked on its most aggressive construction program in years, the $100 Million Affordable Housing Initiative. Funded equally by the Governments of Canada and the Northwest Territories, this initiative has provided over 500 new dwellings in communities. This Initiative has allowed the NWTHC to replace over 200 public housing units and provide affordable homeownership options to nearly 300 families.

Planned Activities - 2009/10

Though no new Federal investments in new construction are expected for 2009-10, the NWTHC will continue with delivering over $16 million in capital projects in 2009/10, as well as completing construction on units remaining under the Affordable Housing Initiative.

The NWTHC is requesting an investment of an additional $2,000,000 annually to its Contributing Assistance for Repairs and Enhancements (CARE) program in order to address the pressing needs for repairs of existing homeowners' units and in turn, to address the problem of overcrowding and health and safety issues. Together with the renewal of federal renovation funding through the Residential Rehabilitation Assistance Program, this will represent a significant increase in the ability of the NWTHC to complete much needed repairs on the homes of residents in need.

The additional funding being requested will help to address the pressing needs for repairs of existing homeowners' units and the problem of overcrowding as well.

Regional allocation details will be included in the NWTHC Program Activity Plan for these financial years. As CARE is allocated to individuals based on their applications and utilizing the NWTHC's Priority Allocation Selection System, community budgets are established and the PASS system is used until the funds are expended.

Planned Activities – 2010/11 and 2011/12

Funds being requested are an annual increase to CARE, and the NWTHC will continue to deliver an additional $2 million under CARE for fiscal years 2010/11 and 2011/12.

STRATEGIC INITIATIVE: MAXIMIZING OPPORTUNITIES
Action: Improve Skills for Living and Working

Description

The Department will be involved in the following activities included as part of this action:

New Apprentices in Designate Trades and Occupations - Fund the employment of 12 apprentices. The NWTHC and the Department of Public Works and Services, in an effort to avoid competing for limited resources in some communities, have created an arrangement whereby PWS concentrates its hiring efforts in regional centres while the NWTHC focuses on hiring apprentices in smaller communities.

- **Construction Trades Access** - The Northwest Territories Housing Corporation (NWTHC) supports preparing students for entry into trades and provides students with the opportunity to apply skills and knowledge in house construction through a partnership approach. Young people should be encouraged to consider choosing construction trades for a career.

    - The NWTHC partners with several educational institutions including Aurora College in Fort Providence and Fort Smith, Diamond Jenness Secondary School in Hay River and P.W. Kaeser Secondary School in Fort Smith. The Program has been expanded to include the Deninu School in Fort Resolution.

    - The NWTHC wants to further expand this project to more communities and is seeking opportunities to partner with other funding sources including the Government of Canada, the private sector and other Government of the Northwest Territories (GNWT) departments such as the Department of Education Culture and Employment (ECE).

Activity to Date

The NWTHC continues to work with the LHOs to identify possible local candidates to fill the remaining positions. To date 7 of 12 apprentices have been hired.

If LHOs in smaller communities are unable to identify apprenticeship candidates, the NWTHC will canvas LHOs in larger communities to determine interest and capability of utilizing any remaining positions.

Planned Activities - 2009/10

The NWTHC intends to fill all 12 apprentice positions during this fiscal year.

The NWTHC will work with ECE to formalize a curriculum for a Construction Trades Access Program that can be offered at the secondary level in any interested community.

Planned Activities – 2010/11 and 2011/12

The NWTHC will continue to utilize the apprenticeship approach in its efforts to mitigate labour shortages and ensure that each LHO has the capacity to complete maintenance and repairs on public housing units.

STRATEGIC INITIATIVE: REFOCUSING GOVERNMENT
Action: Strengthen Service Delivery

Description

The NWTHC will continue to participate in the strategic action to strengthen service delivery. Specific elements of this activity initiated in 2008/09 related to providing housing-related support and information required for the reform of GNWT boards.

One of the priorities under the Refocusing Government Strategic Initiative is the need to strengthen service delivery in communities. There are two activities identified to fulfil this need in the 2009/10 fiscal year: a housing for staff activity to be developed by the NWT Housing Corporation, with collaboration from the Department of Human Resources; and the development and definition of service levels for communities which is to be lead by the Department of the Executive.

Recruitment and retention of staff is becoming increasingly more difficult in many NWT communities due to a lack of housing for staff. Housing concerns focus around cost/affordability and availability and condition. In many communities, there is little market rental housing available and the rent being charged for available units creates a disincentive for professionals to relocate to these communities and provide services. While the NWTHC has provided some market housing on a cost-recovery rent basis in the past, its primary mandate is to provide public housing rental and homeownership units, neither of which are attractive options for staff who are relocating for the short or medium term.

Retaining Land and Technical Capacity in the NWTHC: In December 2005, the FMB approved sixteen (16) additional positions at a cost of $1,640,000 for the NWTHC to build adequate capacity to improve its operations.

These positions were dedicated to technical, land and infrastructure activities. While these positions were scheduled to "sunset" on March 31, 2009, the NWTHC advises that it will not be able to maintain existing levels of service to its housing clients, as well as, improve its core business operations without retaining at least six (6) out of these sixteen (16) positions.

In the technical area, the initiatives include maintaining 2,300 public housing units with a view of maximizing their useful life, providing preventive maintenance and energy efficiency support to homeowners across the territory, building new homes and providing substantial improvements and repairs to existing homes and conducting research for and the implementation of new technologies to improve the energy efficiency of housing generally across the NWT.

Activity to Date

Board Reform: The NWTHC has participated in the board reform initiative. The President sits on an inter-departmental steering committee and department staff are members of a working group tasked with developing approaches to implement regional services boards.

Work to date has focused on considerations such as:

- regional boundaries;
- identifying the specific roles and responsibilities for the regional services boards and departments;
- approaches to accountability, coordination, service standards and reporting;
- financial and administrative matters such as financial and other systems, issues around financial reporting, relationship to planned shared services for financial transactions, and approaches to budgeting, financial flexibility, surpluses and deficits, and asset ownership;
- human resource issues associated with staff potentially moving into the public service; and
- legislative and policy issues associated with implementation improved integration of services.

Coordination of consultation activities with existing regional entities and with departmental staff will also be required to enhance the development of detailed implementation plans associated with the board reform initiative.

Housing for Staff: During the remainder of the 2008/09 fiscal year the Department of Human Resources and the Housing Corporation will work collaboratively to identify the communities where there is the greatest need to increase the availability of housing for GNWT staff. In addition the types of positions which have been negatively impacted by a lack of housing will be identified by Human Resources on a community by community basis.

Planned Activities - 2009/10

Board Reform: The NWTHC will continue to play a central role in the implementation activities associated with the board reform initiative. The current schedule indicates that 2009/10 will be a transition year associated with the board reform initiative.

Housing for Staff: The Housing Corporation will work with the Department of Human Resources, key departments, and affected communities to find options to ensure that more housing is made available and is affordable for staff. Efforts will be made to encourage the private sector, through supports and incentives, to build and provide housing on a priority basis to certain categories of staff.

Retaining Land and Technical Capacity in the NWTHC : The NWTHC will retain six (6) of the sixteen positions on an indeterminate basis including one position at each of the 5 district offices and the position of Manager, Land Planning and Business Development at Headquarters.

Planned Activities – 2010/11 and 2011/12

Board Reform: As noted, by 2010/11 impacted departments and the NWTHC will play the central role in the implementation activities associated with the board reform initiative.

Housing for Staff: The NWTHC will begin to implement programs and supports to encourage development of housing for staff.

INFRASTRUCTURE INVESTMENTS

Activity to Date

As part of its efforts to ensure the long-term sustainability of its housing stock, the NWTHC extends the design life of each public housing unit from 25 years to 50 years, by performing complete retrofits. These retrofits are performed 20 years after construction and again at 35 years after construction. Public housing units are planned for replacement after a period of 50 years.

The NWTHC's housing inventory of 2,100 public housing units is aging rapidly. NWTHC engages in annual ongoing capital replacement of public housing by replacing fully detached public housing units with multiplexes and retrofitting existing units to extend their useful life.

As well, the NWTHC constructs homeownership units to address the requirement for new housing stock to alleviate core need (2,300 units), the impact of new family formations and the poor condition of privately owned housing across the North.

Planned Activities - 2009/10

With respect to major capital investment, the proposed capital acquisition plan calls for the allocation of $10,155,000 for new housing and $6,500,000 for major modernization and improvement of public housing including new public housing. In total, major capital in 2009/10 amounts to $16,655,000.

Total grants and contributions, which would include homeownership repair programs and minor public housing rental repairs provide an additional investment of $9,724,000 in the NWT housing stock.

Total program delivery for 2009/10 is a proposed $26,379,000.

Planned Activities – 2010/11 and 2011/12

The NWTHC will continue with a strategy that minimizes the impact of declining CMHC funding for the operations and maintenance of public housing by building multiplex units rather than fully detached units. Multiplex units are more economical to construct and are more cost-effective to maintain, especially when the utility costs are taken into account.

In 2010/11, through the incorporation of the EGH 80 energy efficiency standard, the NWTHC will see an increase in construction costs of approximately 5 percent. These additional costs for energy efficiency upgrades are anticipated to achieve full payback in an estimated 8 years.

LEGISLATIVE INITIATIVES

Activity to Date

The Northwest Territories Housing Corporation is guided by two pieces of legislation: the Northwest Territories Housing Corporation Act, as well as the Financial Administration Act. The Corporation currently has no plans to amend the Northwest Territories Housing Corporation Act during this planning cycle.

HUMAN RESOURCE OVERVIEW

Overall Human Resource Statistics

All Employees

	2008	%	2007	%	2006	%
Total	103	100	98	100	91	100
Indigenous Employees	51	49.5	47	48.0	49	53.8
Aboriginal	35	34.0	36	36.7	36	39.6
Non-Aboriginal	16	15.5	11	11.2	13	14.3
Non-Indigenous Employees	52	50.5	51	52.0	42	46.2

Note: Information as of March 31 each year.

Senior Management Employees

	2008	%	2007	%	2006	%
Total	7	100	9	100	7	100
Indigenous Employees	4	57.1	5	55.6	5	71.4
Aboriginal	2	28.6	3	33.3	3	42.9
Non-Aboriginal	2	28.6	2	22.2	2	28.6
Non-Indigenous Employees	3	42.9	4	44.4	2	28.6
Male	6	85.7	8	88.9	7	100
Female	1	14.3	1	11.1	0	0

Note: Information as of March 31 each year.

Non-Traditional Occupations

	2008	%	2007	%	2006	%
Total	16	100	14	100	16	100
Female	1	6.3	1	7.1	3	18.8
Male	15	93.8	13	92.9	13	81.3

Note: Information as of March 31 each year.

Employees with Disabilities

	2008	%	2007	%	2006	%
Total Employees	103	100	98	100	91	100
Employees with Disabilities	2	1.9	3	3.1	3	3.3

Note: Information as of March 31 each year.

Position Reconciliation

This information differs from the employee information on the preceding page. Employee information reflects actual employees on March 31 of each year, and the information presented below reflects position expenditures approved through the budget process for each fiscal year.

Active Positions:

	2008-09	Change	2009-10
Total	118	-10	108
Indeterminate full-time	114	-10	104
Indeterminate part-time	4	0	4
Seasonal	0	0	0

Adjustments During the Year:

Note: 16 positions were approved for three year terms (2006-09) to assist with the implementation of the Affordable Housing Initiative. 10 of these positions sunset effective April 1, 2009 while the remainder have been extended for a further three year term.

Position	Community	Region	Added/Deleted	Explanation
Senior Lands Development Officer	Yellowknife	HQ		Three year term position approved for the duration of the Affordable Housing Initiative
GIS / Mapping Specialist	Yellowknife	HQ		Three year term position approved for the duration of the Affordable Housing Initiative
Lands Administration Clerk	Yellowknife	HQ		Three year term position approved for the duration of the Affordable Housing Initiative
Manager, Lands Development	Yellowknife	HQ		Three year term position approved for the duration of the Affordable Housing Initiative
Land Negotiator	Yellowknife	HQ		Three year term position approved for the duration of the Affordable Housing Initiative
Land Officer	Yellowknife	North Slave		Three year term position approved for the duration of the Affordable Housing Initiative
Technical Advisor	Hay River	South Slave		Three year term position approved for the duration of the Affordable Housing Initiative
Technical Advisor	Inuvik	Beaufort Delta		Three year term position approved for the duration of the Affordable Housing Initiative
Technical Advisor	Fort Simpson	Nahendeh		Three year term position approved for the duration of the Affordable Housing Initiative
Technical Advisor	Norman Wells	Sahtu		Three year term position approved for the duration of the Affordable Housing Initiative

Other Human Resource Information

One of the stated priorities of the Legislative Assembly is to "improve human resource management within the GNWT through training, career planning, and encouraging innovation by employees." To address this priority, the Department of Human Resources is leading the development of a Corporate Human Resource Strategy for the Northwest Territories Public Service. The completion of this overall strategy will provide a framework for the development of departmental human resource plans and initiatives, including the development of succession plans and affirmative action plans. This work will be undertaken during the 2009-2010 fiscal year and will ensure a consistent and coordinated approach across government, providing equitable opportunities for all staff.

Human Resource Activities

In its effort to continue to build its body of competent and professional staff, the NWTHC is working to provide opportunities in its succession planning for existing staff, by providing them with knowledge, skills and abilities required to advance within the organization. To facilitate these development opportunities, nine NWTHC employees will be gaining experience in 2009/10 though transfer appointments within the NWTHC. These include the Vice President of Finance and Infrastructure Services, two Director positions, as well as Executive Advisor, Corporate Controller, District Controller, Capital Planner and Material Management Assistant positions.

Activities Associated with Staff Training & Development

As part of succession planning a number of employees are participating in leadership training. Two of the NWTHC's District Directors is participating in a Senior Manager's Leadership Program and another is participating in the Middle Manager's Leadership Program. One of the NWTHC's Managers is also participating in the Emerging Manager's Leadership Program.

The NWTHC also has employees participating in training in each of the following areas: media relations training; training in Intermediate Accounting to earn this employee a Diploma in Accounting; training in a Leadership Certificate Program; training to obtain a Certified Professional Purchasing designation; and training in the Mathematics of Business and Introductory Financial Accounting. Another employee is also on education leave to complete a degree in Native Studies and Business.

INFORMATION SYSTEM & MANAGEMENT OVERVIEW

Overview

The Information Services Section of the NWTHC works with all areas of the NWTHC and local community partners to help streamline their efforts and resources effectively. Through the use of the latest technologies, information management methodologies and innovative system design, the NWTHC will continue to facilitate the management and development of flexible and responsive programs.

The NWTHC provides complete IT service and support for 118 corporate employees and 125 Local Housing Organization (LHO) employees across the NWT. The NWTHC has standardized the Microsoft Windows 2003 Active Directory network infrastructure and the Windows XP/Vista operating systems on workstations and laptops. The NWTHC has also standardized the Microsoft Office 2007 suite of applications. The hardware needs of the NWTHC's workstations, laptops and servers are met by tier one vendors, which have proven to be reliable and very responsive when support was required. Licensing requirements are met through leveraging the GNWT agreements with our own Enterprise Licensing Agreement with Microsoft Canada.

All NWTHC application systems have been developed with Visual Basic .NET 2003/2005 and run on SQL Server 8.0/9.0 (SQL Server 2000). This standard provides a stable framework from which to provide scalable centralized application systems, which are compatible with other GNWT database systems.

Production Systems:

HCIMS - The purpose of the Housing Corporation Information Management System (HCIMS) is to be the central repository for all of our client/land/building/asset information. As such, it is divided into the following modules:

- Client Application System – manages application status, history and reporting
- Land Inventory System (LIS) – manages NWTHC land assets, reporting
- Building Asset System – manages building asset financial data, reporting
- Administration System – manages HCIMS administration and global reporting

MMOS – Materials Management Operating System (MMOS) is used to track the maintenance scheduling, stock, budgets and other asset management concerns of Local Housing Organizations (LHOs) throughout the NWT.

CPTS - Capital Project Tracking System is a solution for tracking construction projects and their associated finances. This may become a module within the HCIMS.

MAS – Mortgage Administration System tracks client mortgages and through a link with FIS.

HOC - Homeownership Calculator (HOC) is used to calculate levels of assistance and rent for applicants to the NWTHC homeownership programs.

Maillog – Logs incoming e-mails, faxes and posted mail received by the administrative assistants and specifies whose action is required on the item and other notes.

PO Tracker - Tracks purchase orders and invoices.

Rentscale - Calculates rent for housing units.

Planned Activities - 2009-10

- MMOS – The Maintenance Management Operating System will be upgraded to ensure all LHO data is stored on a central data repository as to ensure data security, accuracy and reporting compliance.
- Business Continuity Plan (BCP) – The NWTHC's current disaster recovery plan will be expanded and integrated into a new comprehensive Emergency Response & Business Continuity Plan.
- The NWTHC's external web presence will be redesigned to provide ease of use for the general public while enabling standard web content management tools for IT staff and internal content providers.

Planned Activities – 2010/11 and 2011/12

- Ensure that the NWTHC's Information Technology services remain at a high standard of functionality and reliability through the continuation of our 4-year evergreening cycle and standardization on Microsoft operating systems and productivity suites.
- Deployment of the GNWT standard Electronic Records & Document Management System (ERDMS) across the NWTHC and LHOs.
- Establishment and implementation of a standard LHO financial system.